

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
CIVIL DIVISION

DISTRICT OF COLUMBIA,

Plaintiff,

v.

5DESIGN MANAGEMENT LLC,
5DESIGN DEVELOPMENT LLC,
MERIDITH LYDA MOSTASHARI,
SHAW MOSTASHARI

Defendants.

Case No.: 2021 CA 001474 B

Judge: Robert R. Rigsby

CONSENT JUDGMENT AND ORDER

PRELIMINARY STATEMENT

1. Plaintiff, the District of Columbia (District), by the Office of the Attorney General, filed a Complaint against Defendants Meredith Lyda and Shaw Mostashari, and several businesses under their control, Defendants 5Design Management LLC and 5Design Development LLC (collectively, “Defendants”), for violations of the District’s Lead-Hazard Prevention and Elimination Act and Consumer Protection Procedures Act.

2. The Defendants deny the District’s allegations, including allegations that they violated the LHPEA or the CPPA, but agree to enter into this Consent Order and Judgment (“Consent Order”) for purposes of this proceeding. Nothing contained in this Consent Order may be construed to be an admission on the part of Defendants of any violation of law or regulation, or of any other matter of fact or



law, or of any liability or wrongdoing, and may not be used in any other proceeding except to enforce any obligation undertaken as part of this Consent Order.

3. The District and Defendants stipulate to the entry of this Consent Judgment and Order ("Consent Order") to resolve all matters in dispute in this action.

PARTIES AND JURISDICTION

4. The District, a municipal corporation empowered to sue and be sued, is the local government for the territory constituting the permanent seat of the government of the United States. The District is represented in this enforcement action by its chief legal officer, the Attorney General for the District of Columbia. The Attorney General has general charge and conduct of all legal business of the District and all suits initiated by and against the District and is responsible for upholding the public interest. D.C. Code § 1-301.81(a)(1). The Attorney General is specifically authorized to enforce the Lead-Hazard Prevention and Elimination Act (LHPEA) and the Consumer Protection Procedures Act (CPPA). See D.C. Code § 8-231.15(e); D.C. Code § 28-3909.

5. Meredith Lyda Mostashari, an individual, is one of two managing partners of 5Design Development LLC and 5Design Management LLC.

6. Shaw Mostashari, an individual, is one of two managing partners of 5Design Development LLC and 5Design Management LLC.

7. Defendant 5Design Development LLC is the owner of the residential apartment building located at 4242 6th Street SE.



8. Defendant 5Design Management LLC is the owner of the residential apartment building located at 433 Atlantic Street SE.

9. The Court has jurisdiction over this matter.

ALLEGATIONS

10. The District's Complaint alleges that Meredith Lyda and Shaw Mostashari held themselves out as exercising authority over 5Design Development LLC and 5Design Management LLC, under which the Mostasharis are the sole managing members. At all relevant times, the Mostasharis had knowledge and control of the day-to-day work and operations of the corporate entities.

11. The District's Complaint alleges that Defendants violated the LHPEA and its implementing regulations by failing to: 1) remediate lead paint hazards once provided notice by the District and 2) disclose to the tenants of dwelling units leased by Defendants, information reasonably known to Defendants about the presence of lead-based paint, lead-based paint hazards, and open administrative enforcement actions.

12. The District's Complaint alleges that Defendants failure to disclose to the tenants of dwelling units leased by Defendants information reasonably known to the Defendants about the presence of lead-based paint, lead-based paint hazards, and open DOEE enforcement actions also constitutes violations under the CPPA.

INJUNCTION

13. Future LHPEA and Related Disclosures. When selling or leasing residential property in the District of Columbia, Defendants or any future corporate

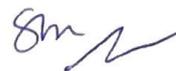


entity for which Meredith Lyda or Shaw Mostashari has ownership or control shall abide by all District environmental and consumer laws, including the LHPEA and the CPPA, and provide accurate and truthful information to prospective and actual home purchasers, tenants, or District employees and officials, regarding the year homes were built and the presence or presumed presence of lead-based paint.

14. LHPEA Disclosures to Tenants at 4242 6th Street SE and 433 Atlantic Street SE. Defendants shall provide, either by personally serving, posting to tenant's front doors, or via United States Postal Service certified mail, lead-based paint disclosures, using DOEE's disclosure form, to all current tenants at 4242 6th Street SE and 433 Atlantic Street SE within five (5) days of execution of the Consent Order. Within ten (10) days upon execution of the Consent Order, Defendants shall provide confirmation in writing to the District that Defendants have provided all lead-based paint disclosures in this Paragraph.

15. Performance of Lead-Based Paint Clearance Examinations. Prior to execution of this Consent Order, Defendants provided to the District Clearance Reports for all dwelling units at 4242 6th Street SE and 433 Atlantic Street SE. Defendants shall:

- a. No earlier than six (6) and no later than twelve (12) months after the execution of the Consent Order, perform a follow-up lead-based paint clearance examination consistent with 20 DCMR § 3315.4(a) at 4242 6th Street SE, and submit lead-based paint clearance examination



reports to the District within six to twelve months of execution of the Consent Order; and

- b. If deteriorated paint is found during the clearance examination provided for in Paragraph 15.a., the Defendants shall perform, consistent with District law, abatement or use interim controls to repair any deteriorating paint by an individual trained in lead-safe work practices. After abatement or interim controls are performed, Defendant shall perform a second lead-based paint clearance examination consistent with 20 DCMR § 3315.

PAYMENT TO THE DISTRICT

16. Civil Penalty. Defendants shall pay to the District a \$35,000 civil penalty within five (5) days after execution of this Consent Order. The District shall deposit \$4,034 of the \$35,000 civil penalty into the Lead Poisoning Prevention Fund while the remainder is denominated as a penalty under the CPPA and shall be deposited into the Litigation Support Fund. Payment of the civil penalty, and any applicable stipulated penalties as set forth in Paragraph 17, shall be made by ACH wire transfer consistent with instruction to be provided by the District at the time of the execution of this Consent Order.

17. Stipulated Penalties. If the Defendants fail to comply with the terms, conditions, or obligations of this Consent Order, Defendants shall be liable for stipulated penalties as set forth in this Paragraph. A violation of this Consent Order includes failing to perform any obligation required by the terms of this



Consent Order. For failure to meet each obligation, Defendants shall pay stipulated penalties as set forth in the following table:

Term or Condition	Non-Compliance Event	Stipulated Penalty
Par. 13	Failure to adhere to the LHPEA's disclosure requirements or making other inaccurate disclosures.	\$500 for each failure to properly disclose; \$1000/day for each unremedied failure to properly disclose for each day beyond the third (3rd) day after receipt of the District's demand for stipulated penalties.
Par. 14	Failure to provide LHPEA's disclosures to all existing tenants at 4242 6th Street SE and 433 Atlantic Street SE.	\$500/day for Days 1-30 for each failure; \$1000/day for each failure any day beyond Days 1-30.
Par. 15	Failure to perform the follow-up lead-based paint clearance examinations or any necessary abatement or interim control measures.	\$500/day for Days 1-30 for each violation; \$1000/day for each violation any day beyond Days 1-30.
Par. 16-17	Failure to pay civil penalties or stipulated penalties when due.	\$500/day.

Defendants shall pay any stipulated penalty within fifteen (15) days after receipt of written demand by the District to Defendants for such penalties. Method of payment shall be in accordance with Paragraph 16. The District may, in its unreviewable exercise of discretion, reduce or waive stipulated penalties otherwise due under the Consent Order.

18. Compliance Obligations. This Consent Order is not a permit, a modification of a permit, or authorization to operate any regulated business under any federal or District law or regulation. The Defendants remain responsible for achieving and maintaining compliance with applicable federal and District laws, regulations and permits. Nothing in this Consent Order shall be construed to preclude the District from enforcing new violations of any law.

GENERAL PROVISIONS

19. Modification. The Parties may apply to the Court to modify this Consent Order by agreement at any time. All non-material modifications, such as a change to the person or persons to receive notice under this Consent Order, may be made by written agreement of the Parties.

20. The Court's Jurisdiction. This Court retains jurisdiction of this Consent Order and the Parties for the purpose of enforcing this Consent Order, for the purpose of resolving disputes under this Order, and for the purpose of granting such additional relief as may be necessary and appropriate.

21. Execution. This Consent Order may be executed in counterparts, and a facsimile or .pdf signature shall be deemed to be, and shall have the same force and effect, as an original signature. Execution for the purpose of the payments due in Paragraph 16 of this Consent Order shall mean signatures from the Parties and/or their respective counsel.



22. Notice. All notices sent pursuant to this Consent Order shall be provided to the following e-mail address, unless a different address is specified in writing by the party changing such address:

To the District of Columbia

Wesley Rosenfeld
Assistant Attorney General
Office of the Attorney General
400 Sixth Street, N.W.
Washington, D.C. 20001
wesley.rosenfeld1@dc.gov

To the Defendants

Shaw Mostashari and
Lyda Meredith Mostashari
5Design Management, LLC
430 Springvale Road
Great Falls, VA 22066

With a copy to:

Mark D. Crawford
Law Offices of Mark D. Crawford, PLLC
1005 North Glebe Road
Suite 210
Arlington, VA 22201

23. Severability. If any clause, provision or section of this Consent Order shall, for any reason, be held illegal, invalid or unenforceable, such illegality, invalidity, or unenforceability shall not affect any other clause, provision or section of this Consent Order and this Consent Order shall be construed and enforced as if such illegal, invalid or unenforceable clause, section or other provision had not been contained herein.



24. Resolution and Release of Civil Claims. Upon the Defendants full payment of the civil penalties referred to in Paragraphs 16 and any due stipulated penalties in Paragraph 17, as well as Defendants completion of the injunctive terms in Paragraphs 14 and 15, this Consent Order fully and finally resolves and releases Defendants from all claims that the Attorney General asserted or could have asserted pursuant to the LHPEA's provisions and its implementing regulations found at D.C. Code § 8-231.03(c), (d), D.C. Code § 8-231.04, D.C. Code § 8-231.05, and 20 DCMR § 3313, and the CPPA's provisions found at D.C. Code § 28-3904, based on the facts alleged in the Complaint.

For Plaintiff District of Columbia

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Assistant Attorney General
400 6th Street., NW
Washington, D.C. 20001

For Defendants



Shaw Mostashari,

Individually and on behalf of
5Design Management LLC
and 5Design Development LLC



Lyda Meredith Mostashari,
Individually and on behalf of
5Design Management LLC and
5Design Development LLC

IT IS SO ORDERED, ADJUDGED, AND DECREED, this __ day of
_____, 2021.

Judge, Superior Court of the the
District of Columbia